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PRODUCERS PROFIT FROM INCREASED MARKET AIDS

Farmers as well as consumers are getting more services from the men and women who perform the marketing chores.

Naturally, the marketing people don't give these services for nothing. That's why marketing services today are more costly. But there is reason to believe that the farmer profits in the long run because he gets many of these services—mostly in the form of broader markets and reduced losses from deterioration of his products in marketing channels.

Wider markets are needed, however, if all the products farmers can grow are to be sold profitably.

Less than a generation ago, farmers living a long distance from the great metropolitan areas had to ship live turkeys by rail. The turkeys lost considerable weight en route. Many even died. The losses as well as the heavy transportation costs had to be borne by turkey producers and consumers.

Next (20 years ago), the prevailing method for shipping turkeys was in the form of New York dressed birds. By killing the turkeys, removing the feathers, and packing the birds, market agents placed growers in outlying areas in a stronger competitive position.

However, undrawn turkeys with heads and feet on them still meant considerable waste. In fact, much of the product shipped to market ended in the customer's garbage pail. The inconvenience of preparing turkeys caused the housewife to buy them only on special occasions, such as Thanksgiving and Christmas holidays.

Today's turkey grower—thanks to cooperation from marketing go-betweens—enjoys a much wider market. The marketing man buys the live birds, eviscerates them, and sends ready-to-cook turkey, fresh or frozen, to consumer outlets.

Thanks to the marketing man, waste, damage losses, and transportation costs are all reduced while convenience is increased and the farmer's market has been widened.

In both 1935 and 1956, consumers could buy 20-pound tom turkeys for Thanksgiving in Washington, D. C., retail stores for 35 cents a pound. But in the latter year farmers received on the average 5.6 cents a pound more than in 1935, and the consumer was getting far more for her money.

In 1956 it took 120 pounds of live turkey to produce 100 pounds of retail turkey, compared with 109 pounds live

weight in 1935. The removal of heads and feet and the drawing of the turkeys to put them in ready-to-cook condition help to account for the difference.

The greater convenience to the consumer and the greater value he received for his money also help to account for the amazing widening of markets for the turkey grower. Per capita consumption of turkeys was only 1.7 pounds in 1935. It was 5.1 pounds in 1956.

Help in Preparation

Broiler chicken growers are obtaining even greater assistance from market agents (feed dealers, processors, hatcherymen) in preparing their products.

A recent survey by the Georgia Agricultural Experiment Station and the U. S. Department of Agriculture indicates that 98 percent of the growers in a major broiler producing area had the chickens to be raised and the necessary feed and medicine for raising the birds supplied to them by the dealer. This meant that the production credit was almost entirely provided by marketmen.

In addition, the market agents sent fieldmen to call on the growers to diagnose disease among the birds and to supervise the administration of dealer-provided medicine.

They also made all arrangements for selling the broilers, sent the trucks to pick up the broilers at the farm, and even provided catching crews to load the trucks in many instances.

There are, of course, possible disadvantages to the grower in some instances: Since someone else assumes most of the risks, the grower may make somewhat less of the profits, and he

loses some of his freedom to run his own business as he likes. These factors are usually known to him in advance, and yet growers are using the system widely.

A more typical case of how marketing people help growers, as they introduce new technologies in farming, is found in cotton.

Today's mechanically harvested cotton contains a great deal more trash than handpicked cotton. The ginner takes care of this by adjusting his machinery so that the dirt and other debris can be removed from the cotton much more carefully than it used to be when the amount to be removed was less. Moreover, it's removed in a way that will not injure the cotton.

When potatoes are harvested mechanically, they are taken from the fields more rapidly than if they are handpicked. The handpicked potato, by lying on the field longer, acquires a tougher skin. The mechanically harvested potato, more sensitive, skinned, is more vulnerable to damage, disease, or decay.

The marketing man meets this problem by using new machinery especially planned to handle the potatoes gently. A new type of belt conveyer designed by Agricultural Marketing Service personnel is one such protection which the marketing agent furnishes his grower.

Bulk Milk Tanks

The dairyman whose operations are large enough to warrant his investing in bulk milk tanks could hardly have done so if the marketing man had not made a similar investment in a tank truck.

Because marketing agents do use bulk tanks and the milk can be

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pumped easily and quickly from the producer's tank to the marketer's tank, such a dairyman no longer has bulky milk cans to heft or to clean. He is making savings in time and in labor costs. Also, there's less danger of bacterial contamination when the bulk tanks can be used. Deliveries from the farm can be more infrequent, too, in many areas and that means fewer costs to the dairyman.

Another example: Grain growers know that when a combine is used, the grain may reach the elevator more quickly and with considerably more moisture in it than it did when the older methods were used.

This means that elevators must invest in a great deal of expensive equipment to hold more grain, to dry the grain more rapidly, and to protect it from insects. Commercial elevators are also introducing new air circulation methods to reduce or avoid the need for turning grain.

Marketing people are making these expensive investments and applying the results of Agricultural Marketing Service research into the use of fumigants to more effectively control or to kill the insects. They are combining the drying, conditioning, and insect control operations to provide their grower clients with more adequate storage services.

Fruit and vegetable growers, similarly, are helped by the new films placed in shipping containers by marketermen.

With the use of films, high quality of apples, pears, and cherries, for example, is maintained much better. This is done by controlling the atmosphere in the packages so that the fruits arrive at retail markets in good condition, no matter how distant the markets, either in mileage or in time.

Consumers like large, ripe peaches even in the early season. Marketing people have made it possible for farmers to supply more of that kind of peaches by introducing new hydrocooling methods. Hydrocooling makes peaches more resistant to spoilage. It has been a short cut to wider markets in peaches.

You could easily go further along these lines and say that a great many growers—particularly, perhaps, fruit and vegetable growers—have been given access to much wider markets because of the huge investment in refrigerated vans and cars to carry frozen food.

That investment, if you count all the necessary accessories, such as trucks and ice bunker and mechanically refrigerated cars, low temperature warehouses, and display cabinets, reached \$800 million in 1956.

Fruit and vegetable growers have, perhaps, gotten some of the principal benefits because freezing extends and expands the market for both types of food and gives the farmer a chance for increased sales by reducing the work of the housewife.

But the benefit has been general and nationwide. USDA transportation cost studies show that farm products now have to be and can be transported much longer distances because of improved refrigeration.

In 1941, potatoes sold in the New York metropolitan area came from farmers living, on an average, 550 miles from the city. In 1955, this average distance had increased to 856 miles.

New York was not, of course, a solitary instance. The same story, with local variations, could be told of marketing areas of large cities anywhere in the country.

Harry C. Trelogan, *Director Marketing Research Division, AMS*

Farmers' Prices

(1910-14=100)

Date	Prices received by farmers	Parity index ¹	Parity ratio
June 1956-----	245	286	86
May 1957-----	243	296	82
June 1957-----	244	296	82

¹ Index of prices paid, interest, taxes, and wage rates.

RECORD TURKEY PRODUCTION FACES GROWERS THIS YEAR

Farmers are faced with a bumper turkey crop in 1957, and prices are likely to reflect it. It would be the second year in a row this has happened.

A new production record in 1957 is certain unless the number of poults hatched in July and August is cut more than 50 percent below 1956 figures. A cut of this size is hardly probable.

1956 Figures

Last year's record 77 million turkeys exceeded the 1955 flock by 17 percent and the 1956 prices to farmers were the lowest since 1941. The U. S. average price to farmers in October-December 1956 was 26.5 cents, down 4 cents from October-December 1955.

The price would have declined even more if the U. S. Department of Agriculture had not bought 25 million pounds of oven-ready turkey for distribution under the School Lunch Program. These purchases accounted for about 5 percent of the turkey slaughter during the period.

Prices received by turkey growers to mid-June 1957 were averaging 3 to 6 cents per pound below those of a year earlier. Prices in the corresponding period of 1956 had not yet reflected the record crop from which substantial marketings began in August or September 1956. Consequently, while turkey prices later this season are likely to be below those of a year earlier, the margin may not be as great as it was up to mid-June.

Usually, more than half of each year's turkey crop is eaten in November and December. Also, more than half of the annual turkey production is usually marketed from farms in these months. But turkeys eaten during those November-December holidays are likely to be smaller birds—that is, either hens of the heavy breeds or small-breed turkeys—while it is the heavier birds that are marketed during those months. Heavy toms, which are held for a longer feeding period than

hens, may exceed 26 pounds oven-ready. They are used mainly by institutions, hotels, and restaurants.

Storage stocks usually begin to build up early in August with smaller birds intended for retailing during the holidays. Stocks decline just before the Thanksgiving and the Christmas holidays but build up again after those dates.

Toward the end of the year, storage stocks run to heavier weights desired by the institutional trade. From about the end of January, storage is the principal source of such heavy types, until current marketings are again available from the new turkey crop. At their peak, storage holdings may be over 20 percent of the crop from which they are drawn. This happened in 1956.

Fluctuating storage demands have an important effect on price levels. Large numbers of turkeys are put into short-term cold storage during August and September before the expected strong consumer market develops. Prices offered at this time reflect buyers' anticipations of what the holiday price level will be. Marketings from storage in turn affect prices farmers receive for live birds sold during the holiday season.

Late-Year Price Prospects

Late in each year, price prospects for heavy toms influence the demand of storers for this type. In 1955-56 the price of heavy toms rose as much as 15 cents per pound while they were in storage from December to July. This encouraged storage of such turkeys in the winter of 1956-57. But by mid-June, 1957, their value had not risen and storage demand late in 1957 may be off from a year earlier.

Storage holdings on June 1, 1957, were 97 million pounds, compared with 41 million on June 1, 1956.

Edward Karpoff
Agricultural Economics Division, AMS



An average of 14,000 farm people died unnecessarily each year in 1950-55. Most were victims of unsafe practices and hazardous conditions that could have been corrected.

Here's the breakdown on this grim record of life-wastage, as compiled by the National Safety Council and quoted in a recent Agricultural Research Service report:

Farmwork accidents killed an average of 3,900 farm people each year from 1950 through 1955. Farmwork mishaps injured 321,600 persons each of those years.

Fatal accidents in farm homes took another 3,300 lives and injured 548,300 people in each year.

Motor vehicle accidents killed 6,000 farm people and injured 210,000 each year. Off-farm accidents, not involving motor vehicles, killed 1,130 members of farm families and injured 140,000 each year.

What caused these tragedies and near-tragic mishaps?

In a recent study "Fatal Farm Accidents in the United States 1949-53" ARS says that over 80 percent of fatal farm accidents (not counting those in the home or off the farm) during the 5-year period ended in 1953 were caused by machinery, drownings, firearms, falls, animals (including insects), and burns—in that order.

Now, take it by ages for 1949-53:

In the various 5-year age groups,

the highest number of machinery-caused deaths occurred among farm people 55 through 59 years old. Animal-caused deaths also were highest among older people.

On the other hand, most deaths from drownings and burns befell children under 5.

Firearms took their highest toll among those 15 through 19 years old. Fatal falls were most frequent among older people, particularly those 70 through 74.

As might be expected, fatal accidents on farmland and about service buildings took a heavier toll of males than females by an overwhelming margin. The ratio was 9 to 1.

Many of these accidents on farmlands and about service buildings cost the lives of young people not properly safeguarded by their parents. Many of these young victims had not acquired the skills necessary to avoid accidents. Doubtless others had never received adequate safety instructions.

Youngsters 15 through 19 years old suffered the largest number of fatal accidents of any 5-year age group. Next came the 10- through 14-year-old group, and then the group of those under 5.

Members of farm families who were under the age of 20 accounted for more than one-fourth of the fatal accidents—excluding mishaps in the home or off the farm.

DOES THE NEW CIGAR BINDER MEAN DISASTER FOR GROWERS?

How will the increasing popularity of processed binder-type cigars affect the price the grower gets for binder-type tobaccos?

How will it affect the kind of tobacco the producer will grow? Or the way the cured tobacco will be handled by the grower?

The total amount of money received by growers for the binder types would be somewhat reduced if the processed binders continue to grow in popularity as rapidly as they have until now. But there are offsetting factors.

Part of Crop Unaffected

1. The reduction in price for binder types would not apply to all the crop of those types. That part of the binder type tobaccos that is sold directly for scrap chewing tobacco would continue to be sold for that purpose.

2. The grower's market would be widened if the popularity of cigars with processed binders continues to increase. In that event, the total of tobacco used in cigars would be increased.

3. Grower's production costs would be reduced because it would no longer be necessary to take such extreme and expensive care in harvesting, curing, and preparing the high-grade binder types for market.

4. The new developments will affect the relative advantage of areas and growers in producing tobacco today. Growers who best adapt their production and marketing practices to lowering their costs will be in the best position to profit from the new situation, regardless of the area.

In April 1957, 20 percent of all cigars had processed binders. It's expected that more than 30 percent will have the binders in the latter part of this year.

Consumers who prefer imported, all-Havana, or handmade cigars with natural binders are very much in the minority. It appears reasonable to

expect that eventually 80 percent or more of all cigars will have processed binders.

Now, how much is the growing use of processed binders likely to reduce the amount of tobacco used for cigars?

Since the entire tobacco leaf, including stems and cuttings, is used for the processed binder, a thousand cigars will require only 2.18 to 2.42 pounds of tobacco, packed weight, if 2.42 pounds of processed binders are used. This is only 56 to 62 percent of the 3.88 pounds of tobacco needed for making a thousand cigars when the natural binders are used.

The number of cigars smoked in this country each year since the end of World War II has been nearly 6 billion. The quantity of tobacco required as natural binders for 6 billion cigars—approximately a year's supply for American smokers—would be 23.3 million pounds at 2.42 pounds per 1,000 cigars.

If processed binders were used on half the cigars, only 11.6 million pounds of tobacco would be needed for natural binders and 6.5 to 7.3 million pounds for processed binders. This is a total of 18.1 to 18.9 million pounds of tobacco, or 4.4 million pounds to 5.2 million pounds less than if all the cigars were given natural binders.

Lower-Priced Cigars

When half the cigars are made with processed binders, the half made with natural binders would use binder types only. Lower-priced cigars now having binders from nonbinder types would have processed binders in this kind of future. All of the stemming tobacco used for scrap chewing would come from binder types. This would take the place of the cuttings and throw-outs which would not be available if processed binders were used.

The quantity of unsorted tobacco would increase with the increase in the use of processed binders, not only for

that purpose but to replace the throw-outs and cuttings used in scrap chewing tobacco.

It seems logical, then, that growers of the type of tobacco used mostly for scrap chewing could look forward to higher prices because chewing tobacco manufacturers would have to buy more of the whole leaf.

The significant change you might expect would be reduced returns from tobacco to be sorted, from \$18.7 million to \$11.7 million. But tobacco sold that is not to be sorted would be expected to increase in value from, say, \$3 million, to \$6.9 million or \$7.1 million.

The way in which growers compete to supply the changed market for their product will determine the level of prices and the differentials for each use.

Adjustment of the supply to this new development will depend not only on the factors already considered, but on the ability of the growers to reduce production costs under the new conditions. This should be possible. Increased mechanization and other changes in production methods—new varieties, for example—will affect these costs.

C. I. Hendrickson
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Showers For Your Hogs May Save You Money

Showers for hogs on their way to market may be good for your bankroll as well as for the animals, Agricultural Marketing Service says. Tests are still underway.

AMS transportation specialists testing a new built-in shower for trailer-trucks used in transporting hogs to market found that hogs hauled in these trucks maintained their weight much better in hot weather. And none in the sprinkled trucks died, while six died in the unsprinkled trucks.

Under present conditions, hog weights are apt to shrink as much as 4 percent en route to market. In a normal truckload of 22,000 pounds, this can mean from 700 to 800 pounds of meat lost—and money was spent putting those pounds on the animals.

In addition, more than \$4,000,000 worth of hogs arrive dead at U. S. markets every year under today's conditions.

In a series of 16 tests with the new and inexpensive device, this is what AMS found:

Two trailers were used in each test in a 330-mile run which lasted over 11 hours. Each trailer had an average load of 110 hogs. In one trailer, there was no change from current conditions. In the other, the driver used the device to give his hogs a 21-minute shower im-

mediately before departure. In addition, he made four 10-minute stops en route and showered the animals at each stop.

It wasn't difficult. The driver simply used a galvanized pipe and a water faucet. A fine mist spray then refreshed the hogs without ruining the sawdust which had been used as litter.

At each stop, the sprinkled hogs appeared more comfortable. They were quieter. They reclined more and foamed less at the mouth.

The spray had a direct cooling effect on the animals. The water moistened the sawdust, and the hogs cooled themselves by lying down on the bedding. The air inside the sprinkled trailers averaged 3.4° F. cooler than the air inside the unsprinkled trailers.

On this series of trips 6 dead hogs were found in the unsprinkled trailers. All the hogs in the sprinkled trailers were alive.

The average weight loss per trip in the unsprinkled trailers was 724 pounds, or 3.3 percent. The sprinkled hogs lost, on the average, only 498 pounds, 2.27 percent.

Finally, sprinkled hogs yielded a higher slaughtered "hot weight," averaging nearly half a pound per animal. In the average trailer load, this made a difference of 103 pounds which would otherwise have been lost.

PIG CROP MAY INCREASE 1 PERCENT OVER 1956

The total pig crop for 1957 may be about 1 percent more than last year. The spring pig crop is about the same as last year but the fall pig crop may be about 1 percent more than last year.

Here's the way the Crop Reporting Board sized it up in its report on June 21:

The 1957 spring crop totaled 53,170,000 head. This compares with the 1956 spring crop of 53,186,000 head. The spring farrowing season is from December 1956 through May 1957.

Reports on breeding intentions indicate 5,308,000 sows to farrow this fall, 2 percent more than the 1956 fall farrowings, and 2 percent above average.

If the intended farrowings are realized and the number of pigs saved per litter equals the average, plus an allowance for upward trend, the 1957 fall pig crop would be 37 million head.

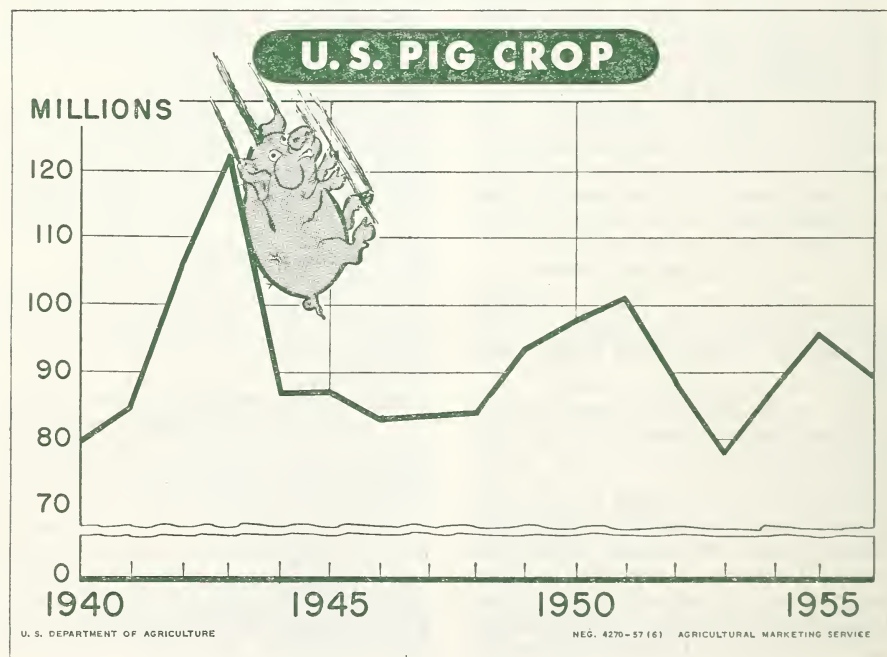
The combined spring and fall pig crops would then be about 90 million head. This would be 1 percent more than in 1956 and 1 percent above the 1946-55 average.

The number of hogs 6 months old and over on farms and ranches as of June 1 was 3 percent less than June 1, 1956.

The number of sows farrowed in the spring of 1957 is estimated at 7,466,000 head, 3 percent less than last year and 10 percent less than the 10-year average.

The 1957 spring farrowings were 1 percent less than indicated by farmers' plans as reported last December.

The 7.12 pigs saved per litter this spring compares with 6.94 in 1956 which was the previous high for the spring crop.



SHEEP RAISING DECLINE CONTINUES IN WEST

Sheep raising has lost ground as an agricultural enterprise in the United States since 1942—particularly in the West. The decline was considerable during 1943-49. Recent changes are small in comparison.

On January 1, 1957, stock sheep numbers were 2 percent less than they had been on January 1, 1956. A 5-percent decline in the Western sheep States more than offset a slight increase in the native or fleece wool States.

Numbers Declining

Nationally, the number of stock sheep declined 47 percent between January 1, 1942, and January 1, 1950. Numbers in the fleece wool States were down 50 percent and in the 13 Western sheep States, 46 percent.

For the country as a whole, sheep numbers on January 1, 1957, were only slightly higher than on January 1, 1950—and the number in 1950 was the smallest for any year since records began in 1867. A slight increase during the Korean emergency had been nearly offset by small declines for each year since 1952, except 1955.

The 1956 shorn wool clip was about 9 percent above the record low of 1949. About two-thirds of the net increase since 1949 is attributable to a heavier average fleece weight. The one-third can be accounted for by the fact that a little larger number of sheep have been shorn.

The number of sheep and lambs shorn has dropped slightly each year since 1952. But a gradual rise in the average fleece weight has held shorn wool production fairly steady. With the price support program stabilizing growers' prices during 1952-54, the value of sales from shorn wool also was steady during those years. However (beginning mid-1956), sheep growers received higher returns from wool from the 1955 clip because of the shift from a loan program to incentive payments at a higher support level.

Income from marketings of sheep and lambs declined significantly in 1952 and 1953. But in the past 3 years the trend has been slightly upward.

Sheep numbers in the fleece wool States increased 22 percent between January 1, 1950, and January 1, 1957. Every fleece wool State, except Louisiana, Virginia, and West Virginia maintained or increased stock sheep numbers in 1956. All but 3 of these States—Kentucky, Michigan, and Missouri—had more sheep than 7 years earlier.

Last year was the fifth consecutive year in which the number of stock sheep declined in the 13 Western sheep States. All of these States, except Arizona, Wyoming, and South Dakota, showed decreases or no change from the 1955 figures.

Texas suffered the sharpest decline—14 percent. In fact the decline in Texas has been 33 percent since January 1, 1950, and 58 percent since January 1, 1942. In 1942, Texas accounted for a little more than one-fifth of the country's total sheep flock, but in 1957 only about one-sixth.

Numbers in the Western sheep States were 8 percent less on January 1, 1957, than on January 1, 1950. Four States—Colorado, New Mexico, Texas, and Washington—had fewer stock sheep. Only 2, Oregon and South Dakota, had shown a continued upward trend since 1950.

Drought a Factor

Drought, particularly in Texas, was an important factor in the 1956 decline in this area—equivalent to almost two-thirds of the area's net decline since 1950. In Texas and other Southwestern States, it forced stockmen to cull flocks closely. Marketings were especially heavy after 1954, when pasturage was poor and feed supplies low.

Albert M. Hermie
Agricultural Economics Division, AMS

CHICK PRODUCTION GAINS BUT HATCHERIES DECREASE

Mail-order selling and the dual purpose chicks of the 1930's are fast fading from the poultry scene. Today's farmers demand personalized service, and specialization takes a firmer hold on poultry breeders and hatcheries.

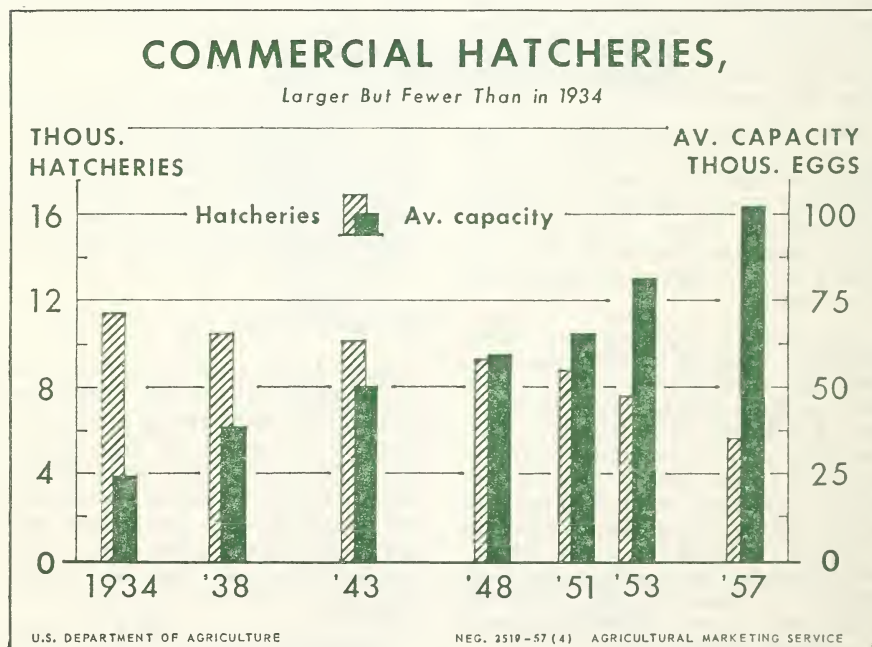
The long-term trend toward fewer commercial hatcheries but larger plant size and capacity is a feature of this specialization which has continued to the present time.

In 1934, the number of hatcheries in the U. S. was approximately 11,400. At that time, only 4 percent of the egg capacity was in hatcheries that could incubate 100,000 or more eggs at a time. The number of plants declined to fewer than 6,000 by January 1, 1957, but two-thirds of the capacity then was in plants able to set more than 100,000 eggs.

Over those 23 years, total incubator capacity more than doubled and chick production trebled. Broilers made up two-thirds of the total chick output of 2.1 billion in 1956, and egg-type chicks, to be raised for the replacement of laying flocks, are now the smaller category of chicks. Each type is now so specialized that dual-purpose chicks have little demand from commercial producers.

These trends have continued in recent years. Number of hatcheries on January 1, 1957, declined from the last survey made in 1953, and the average plant size increased, both by about one-fourth. Total incubator capacity decreased 6 percent in the 4 years but total output of chicks and poults rose. The increase was in broiler chicks.

The number of new hatcheries is smaller than the number shut down.



Most shut-downs were among small, seasonally operated plants. But new incubators are being installed in areas where chicken raising expanded most rapidly in the past few years. This is particularly true of States in the South Atlantic and South Central regions, where broiler production more than doubled since 1950.

Year-Around Demand

In these areas where broiler production is the predominant poultry enterprise, hatcheries have the advantage of a nearly steady year-round demand for chicks. On the other hand, demand for chicks intended for egg production is highly seasonal, with three-fourths of the output usually from February through May.

Georgia produced more broilers in 1956 than any other State. There, the number of chicks produced was 8 times the egg capacity of the State's incubators. Making allowance for eggs that did not hatch, this means that each unit of incubator capacity was used an average of 10 times during the year.

This contrasts with a specialized egg-producing State such as New Jersey. There the number of replacement chickens raised in 1956 was larger than the number of broilers. But total chicks hatched last year in New Jersey were only 3 times the egg capacity of the State's incubators.

Year-around hatching spreads overhead costs of hatchery operation. This is reflected in the lower prices for broiler chicks than for specialized egg-laying stock.

The saving from continuous operations is a factor contributing to the lower price for broiler chicks than for egg-type chicks. The lower price prevails despite the larger number of eggs laid by egg-type hens.

In May 1957, meat-type chicks in Georgia were about \$10 per hundred at the hatchery, but straight-run Leghorn chicks in New Jersey sold for \$18 per hundred.

Edward Karpoff
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Wheat Growers Accept 1958 Market Quotas

Marketing quotas will be in effect on the 1958 wheat crop. Preliminary returns from the June 20 referendum in 36 wheat States indicate 83 percent of growers voting favored the quotas. A two-thirds favorable vote is required by law.

The June 20 vote means that producers in commercial wheat States who stay within the acreage allotted for their farms will be eligible for the full level of price support. In the 12 noncommercial States, the wheat price support will be 75 percent of the level calculated on the national average.

Marketing quota penalties equal to 45 percent of the wheat parity as of May 1, 1958, will be assessed against the normal yield of wheat grown on acres in excess of the wheat acreage allotment.

After the penalty has been paid, the producer is free to dispose of this wheat as he chooses. No excess wheat is determined for farms on which wheat acreage is 15 acres or less.

The marketing quota penalty rate on "excess" wheat of the 1957 crop was set at \$1.12 per bushel. This was 45 percent of the parity price of \$2.50 per bushel.

Preliminary returns indicated 172,166 wheat farmers voted on June 20. This is about 39 percent less than in 1956 when the growers approved quotas for the 1957 crop.

This year's referendum is the seventh for wheat growers. In every case, they have favored marketing quotas.

They approved quotas for the 1941 crop by an 81 percent favorable vote; for the 1942 crop, by 82.4 percent; for the 1954 crop by 87.2 percent; for the 1955 crop by 73.3 percent; for the 1956 crop by 77.5 percent and for the 1957 crop by 87.4 percent.

Robert E. Post
Agricultural Economics Division, AMS

Soybeans

Soybean prices did not show the usual seasonal strength this spring because of increased supplies. Despite record crushings and exports, stocks were heavy on April 1, 1957, and a record carryover into the new crop year is likely.

Based upon planting intentions, acreage in the 1957-58 season will be up 4 percent. Another large crop is expected, assuming yields are at about 1956 levels. Farm prices are likely to average lower, approximately at the support price of \$2.09 per bushel announced for the 1957 crop.

Eggs

Prices in early summer were sharply lower than a year ago and at the lowest level so far in 1957. With smaller year-end supplies likely, the fall price average is likely to be above that of the fall of 1956.

Flaxseed

World production of flaxseed and linseed oil is expected to remain large in 1957. With a domestic surplus and exports of linseed oil and meal sharply smaller, continued large output is likely to depress farm prices. The average price this year may fall slightly below the support of \$2.92 per bushel, which is 17 cents less than the support price last year.

Dairy

Total milk output in 1957 should increase for the fifth straight year. The gain may be as much as 2 billion pounds over the record 125.7 billion pounds of 1956.

Farmers' sales of whole milk are continuing to rise faster than production, because a decreasing volume of milk is used on farms. Farmers also continue to shift from the sale of farm-skimmed cream to whole milk. This is giving the dairyman a higher aver-

age price per unit and helping increase his cash receipts. Prices to farmers have been stable for the year and should at least equal last year's average.

Feed

Prospects are generally good for feed crops in 1957. Rains in some areas improved pastures and ranges. Moisture has been ample for the growth of oats and barley, but some damage was caused by flooding and lodging.

Although the new corn crop was held back, larger "free" stocks are on hand for the remainder of the year. Average support for 1957 corn to cooperating producers in the commercial area will be \$1.36 per bushel, 14 cents lower than last year. Price supports for small grains also will be lower than in 1956. A large combined carryover is in prospect for 1957-58. If another good crop is produced this year, prices probably will continue below those of a year earlier.

Tobacco

Output of cigarettes is running more than 3 percent above that of 1955-56, but utilization of flue-cured and burley—leading cigarette tobaccos—has not increased. New production techniques explain the decline. Use of flue-cured is about 2 percent less than in 1955-56 with burley nearly the same as in 1955-56. Exports of flue-cured may be one-sixth less and burley shipments are likely to be moderately lower.

Fruit

Weather and condition of groves are favoring the 1957 deciduous fruit crop. Peach output is estimated to be slightly higher than in 1956, and apricots about 8 percent above the below-average crop last year. Considerably larger production is anticipated for sweet and sour cherries and about 2 percent more for pears. The commercial strawberry crop is expected to set a new record.

"Bert" Newell's Letter

You remember Uncle Pete, the one I told you about with six fingers. Well, he was a pretty crafty old rascal who always kept himself in a trading position. One time Father asked him what size shoe he wore. Uncle Pete said, "Oh, cun'l, about size 6, or 8, or 10, or most any size." Of course Father was just needling him because anyone could look at Uncle Pete's gunboats and tell they were 12's or better. And Father had unusually small feet, for a man of 6 feet—tall, that is. But Uncle Pete wasn't cutting himself out of any proposition before finding out for sure just what the deal was going to be.

All of us, I guess, do a little stalling around when someone puts up a vague sort of proposition. Take a fellow who says, "What are you doing next Tuesday?" Maybe you haven't got anything real particular in mind, or maybe you do, but it could be put off if something more important comes up. I'm always a little suspicious when a person puts up a question like that and most of the time I play safe and have something that I have to do. Sometimes I win and sometimes I lose, but most of the time I think I win.

Making a deal or accepting a deal of any kind without full knowledge of all the facts can be bad. In marketing, it's downright dangerous. Sometimes it isn't possible to get all of the information you really need but it's a protection to get just as much as you can.

Of course, everybody who has crops or livestock to sell will start out with the latest reports on crop and livestock production. These come out once a month. You may need even later information when you're ready to go to market. So, it's a pretty good idea to check with your agricultural statistician, or the county agent, for the latest weekly weather-crop bulletin. We put out these weekly reports in most States to help you keep up with the

changes that are taking place between the monthly crop reports.

Then, it's most important to check up on the market news reports. They are in most of the newspapers and are broadcast pretty regularly over radio and TV. If you don't get these market reports, call or drop a card to your State Department of Agriculture or Bureau of Markets.

Even if you can't get a report for the particular market you want, it will certainly be helpful to get a report for the nearest one and probably the nearest large central market also. These reports give the day-to-day market receipts and prices and will be a great help in deciding what to do.

I don't know that I have ever pointed up the close relationship between the crop and livestock estimating service and the market news service. In the beginning of market service work in the Department, information on the total and prospective production answered most of the needs. But with better and more rapid transportation farmers had to have information on immediate market supplies and condition.

The market news service really got under way around 1915 to meet this need, so now the two big market information services—the crop and livestock estimating service and the market news service—work closely together to cover the field all the way from farm to market.

Farmers nowadays are really businessmen and it's just as important to keep up with the market side of this business as it is to know how to fertilize and how to keep ahead of the bugs. So get next to these market news reports and use them along with your crop and livestock reports, and the weekly weather-crop reports, to keep up to date on what's happening in both production and marketing.

O yes, Uncle Pete got the shoes. They happened to be a pair of my brother-in-law's shoes and they were really big.



S. R. Newell
Chairman, Crop Reporting Board, AMS

LET'S LOOK INTO FUTURE OF LATE-POTATO GROWERS

Per capita consumption of potatoes has been declining for several years. That makes it important for the potato grower to get an idea what the long range production prospects are likely to be.

The most conclusive way to find out might be to study the production pattern for the late summer and fall crops.

It's true that potatoes are produced and marketed somewhere in the United States every month in the year. But the late summer and fall crops are grown in 31 States. They account for about 75 percent of the annual production.

These two crops are the principal source of supply for over three-fourths of the year. Much of the fall crop is stored and marketed several months after harvest. Fall crop storage supplies overshadow production of the early crops.

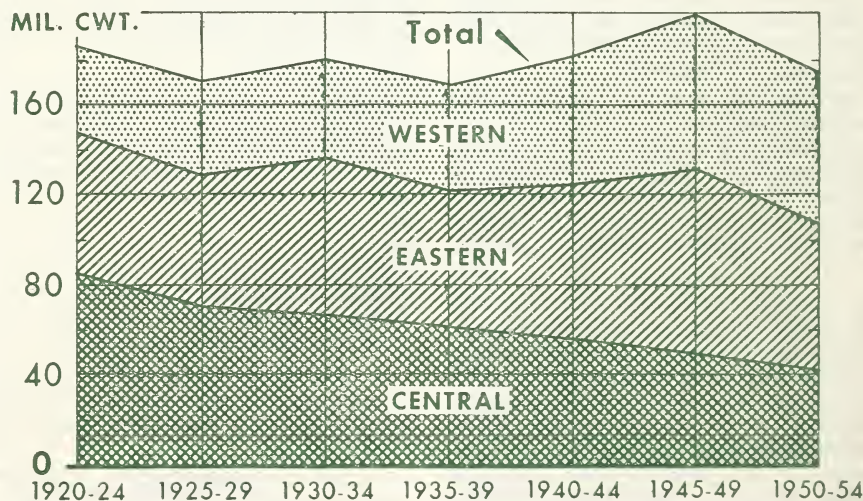
First Thing to Note: Yields per acre for the late summer and fall crops during the past 5 years have averaged more than two and a half times the average yields in the 1920's. This phenomenal increase in yields has offset the decline in acreage during the past 15 to 20 years.

States in the Central Region—Indiana, Ohio, Michigan, Wisconsin, Minnesota, Iowa, North Dakota, South Dakota, and Nebraska—produced slightly under one-half of the late summer and fall crops in 1920-25. In 1950-54 these States accounted for only 24 percent of the late summer and fall crop.

However, such Western States as Montana, Idaho, Wyoming, Colorado, Utah, Nevada, Washington, Oregon, and California increased their share of the production total from 20 percent to 38 percent during the past 30 to 35 years.

LATE CROP POTATOES

Trend in Production by Regions



There has been a moderate increase in States in the Eastern Region, that is, Maine, New Hampshire, Vermont, Rhode Island, Massachusetts, Connecticut, New York, and Pennsylvania. From 33 percent of the production total in the earlier years, these States have risen to 38 percent in the past 5 years.

These shifts in production accompanied rather marked changes in acreage.

In 1920-24, the Central States had 55 percent of the acreage, the Eastern States 28 percent, and the Western States 17 percent. Today, the Central States have 34 percent, the Eastern States 33 percent, and the Western States 33 percent.

One of the reasons for the large decline in the Central States is that the average yield for this region has been from 30 to 55 percent below the yields recorded in the Eastern and Western States.

Now what practical use can you potato growers make of these statistics?

For one thing, they seem to indicate that Maine, New York, and Pennsylvania will continue to be the large producers in the East; North Dakota, Minnesota, Michigan, and Wisconsin in the Central Region; and Idaho, California, Colorado, Washington, and Oregon in the West.

Currently, these 12 States furnish about 90 percent of the total late summer and fall crop. The shift of acreage to these higher producing areas is expected to continue and the number of producers to decline.

This trend will be partly offset by a larger average acreage per grower. High transportation costs for the raw commodity probably will favor increasing diversion into processing. However, considerable work remains in encouraging consumers to accept the processed product.

Finally, with so large a portion of the production centered in so few States, marketing agreements are expected to become very important in orderly marketing.

Oakley M. Frost
Agricultural Estimates Division, AMS

Measuring Cotton Color Gives Grower Full Value— Here's How It's Done:

To help keep its standards uniform so that cotton growers may get full value for their product, the Cotton Division, Agricultural Marketing Service, is using the Cotton Colorimeter.

The Colorimeter measures the color of cotton samples automatically and quickly and as surely as a ruler measures distance. Color, as well as leaf and other trash, is a factor in determining grade.

Many standards are necessary to cover the quality range of marketed cotton. AMS now has 24 grades for upland cotton, 11 of them represented physically in boxes of standards.

One of the complications in preparing standards is that the normal yellowish color of cotton increases with age. This increase is greater in the higher grades than in the lower and greater in Spotted or Tinged than in Gray cottons.

This change necessitates precautions to keep the color at a level within the range of the original standards when copies of the standards are being prepared.

Temperature and Color

It has been determined that the color of cotton kept in a cool, dry climate does not change as fast as in a warm, humid climate. Consequently, AMS is running "refrigeration tests" to determine temperature and humidity under which cotton, particularly cotton standards, may be kept with the least change.

But it's worth time and trouble because the more such devices as the Colorimeter and such tests as refrigeration are used, the better defined the standard and the fairer the deal to the grower.

Dorothy Nickerson
Cotton Division, AMS

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Farmer's Share of Consumer's Food Dollar

April 1956.....	40 percent
March 1957.....	39 percent
April 1957.....	40 percent

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